



Ninety-Eighth Legislature - First Session - 2003
Introducer's Statement of Intent
LB 673

Chairperson: David Landis
Committee: Revenue
Date of Hearing: March 6, 2003

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 673 eliminates the requirement that a Form AG 13 be prepared and filed with the Nebraska Department of Revenue for all agricultural machinery and equipment sold at auction.

Current law requires that the auctioneer or auction firm prepare and file a Form AG 13, usually on the day of sale, for each item of agricultural machinery and equipment sold at public auction on which the purchaser elects not to pay the sales tax.

Nebraska law allows an exemption from sales tax in the sale of agricultural machinery and equipment. However, if the purchaser of this equipment or machinery elects not to pay the sales tax, a Form AG-13 must be filed with the Nebraska Department of Revenue, through the Property Assessment and Taxation Agency. If sales tax is not paid, the property must be listed on the purchaser's depreciation schedule and property taxes are required to be assessed on the property.

The auctioneer or auction firm will continue to remit sales tax collected, report taxable and non-taxable sales, and maintain records of taxable and non-taxable sales.

Principal Introducer:

Senator Philip Erdman